







Alcoa Inc.

AA NYSE

Aluminum

Market Capitalization USD: **\$10,184.23 mm**

CONCERN LEVEL: AVERAGE

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years. 
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group. 
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration. 
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Klaus-Christian Kleinfeld

Age: 54 CEO Since: 2008

	2009	2010	2011
Base Salary	\$1,400,000	\$1,400,000	\$1,433,333
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$3,754,800	\$2,604,000	\$1,505,000
Benefits and Perquisites	\$227,466	\$205,348	\$189,103
TOTAL ANNUAL COMPENSATION	\$5,382,266	\$4,209,348	\$3,127,436
Increase in Post-Retirement Benefits	\$682,887	\$943,642	\$1,416,071
Stock Option Awards	\$5,832,000	\$4,139,114	\$1,900,027
Stock Awards	\$0	\$4,000,258	\$7,600,158
TOTAL COMPENSATION	\$11,897,153	\$13,292,362	\$14,043,692
Median of Other Named Executive Officers Total Compensation	\$5,576,195	\$5,222,199	\$3,523,660
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$0	\$256,121	\$1,627,100
TOTAL REALIZED EQUITY COMPENSATION	\$0	\$256,121	\$1,627,100

Proxy Date: 12 Mar 2012 **Annual Meeting Date:** 4 May 2012 **Equity Reserves:** 8.68% **Stock Option Run Rate:** 1.27%

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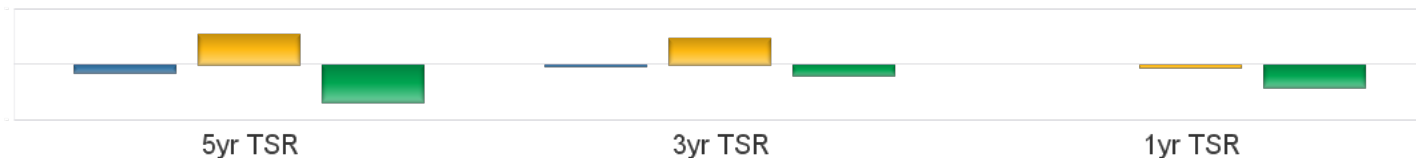
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Performance Comparison

■ S&P500 ■ Industry ■ AA



Peer Comparisons (TRBC) = Basic Materials

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
AA	Alcoa Inc.	\$11,897,153	\$13,292,362	\$14,043,692	\$10,184,231,903
NUE	Nucor Corporation	\$2,884,064	\$6,770,807		\$9,999,569,006
RGLD	Royal Gold, Inc	\$991,641	\$2,475,823		\$3,507,187,052
RYN	Rayonier Inc.	\$6,103,812	\$6,915,820		\$4,481,729,729
SHW	Sherwin-Williams Company (The)	\$7,495,810	\$7,735,200	\$8,150,048	\$7,970,371,999
SIAL	Sigma-Aldrich Corporation	\$3,196,782	\$4,613,606	\$3,915,529	\$7,526,116,662
TIN	Temple-Inland Inc.	\$5,616,171	\$8,209,258		\$3,397,071,636

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

Abbott Laboratories, Enbridge Energy, Merck & Co, Accenture, Ericsson, Mitsubishi Power Systems Americas, ACH Food, Ericsson Television, Adecco, Exelon, Motorola, Air Liquide, Express Scripts, Murphy Oil, Alstom, Fluor, NextEra Energy, Amgen, General Dynamics, Northrop Grumman, Arrow Electronics, GlaxoSmithKline, Occidental Petroleum, AstraZeneca, Google, Sanofi-Aventis, BAE Systems, Grupo Ferrovial, SCA Americas, Bayer AG, HBO, Schlumberger, Bayer CropScience, HCA Healthcare, Schneider Electric, Bechtel Marine Propulsion - Bettis, Hess, Sodexo, BG US Services, Hoffmann-La Roche, Southern Company Services, Bristol-Myers Squibb, Holcim, Sprint Nextel, Bunge, Honeywell, Staples, Caterpillar, IKON Office Solutions, Sunoco, Chattem, Illinois Tool Works, Sunovion Pharmaceuticals, CHS, Intel, SuperValu Stores, Cisco Systems, International Paper, Takeda Pharmaceutical Company Limited, Coca - Cola, Johnson Controls, Colgate-Palmolive, Kaiser Foundation Health Plan,

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Patricia F. Russo	Chairman	59	Female	4	Outside
Arthur D. Collins	Member	64	Male	2	Outside
Kathryn S. Fuller	Member	65	Female	10	Outside Related
Michael G. Morris	Member	65	Male	4	Outside

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